

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**HOUSE BILL 989**

**46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003**

**INTRODUCED BY**

James G. Taylor

**AN ACT**

**RELATING TO TOBACCO; PROHIBITING CERTAIN CONDUCT BY CIGARETTE  
MANUFACTURERS; PROVIDING A PENALTY.**

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:**

**Section 1. CIGARETTE MANUFACTURER PROHIBITED CONTRACTS--  
PENALTY. --**

**A. A cigarette manufacturer shall not directly or  
indirectly:**

**(1) condition a retailer's receipt of a  
consumer promotion or consumer price discount on the retailer's  
conduct or actions relating to the manufacturer's products or  
to the products of any other manufacturer, except for  
requirements that the retailer:**

**(a) provide the promotion or discount to  
consumers; and**

1 (b) advertise and display the promotion  
2 and the promoted or discounted product to consumers;

3 (2) require or cause a retailer to allocate a  
4 specified percentage or fraction of the retailer's  
5 merchandising, stocking, display, shelf or advertising space to  
6 the manufacturer's products;

7 (3) prevent, restrict or limit a retailer from  
8 stocking, advertising, displaying or participating in a program  
9 for another manufacturer's products;

10 (4) prevent, restrict or limit a retailer from  
11 determining the size or location of the space that the retailer  
12 uses to stock, display, promote or advertise cigarettes; or

13 (5) require a retailer to raise its prices on  
14 or prevent the retailer from setting, retaining or reducing its  
15 prices on another manufacturer's products.

16 B. A cigarette manufacturer who violates Subsection  
17 A of this section shall be liable for a penalty of one thousand  
18 dollars (\$1,000) to be recovered, with costs of suit, in a  
19 civil action brought by a retailer or another manufacturer.